



Galloper Wind Farm Project
Funding Statement
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Galloper Wind Farm Limited



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Drafted by	Craig Harwood	
Checked by	Nick Buxton	
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GWFL Approved by	Kate Harvey	
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CONTENTS

1	SUMMARY	1
2	INTRODUCTION	2
3	COST OF ACQUIRING LAND TO BE SUBJECT TO COMPULSORY ACQUISITION	3
4	COST OF IMPLEMENTING THE PROJECT SOUGHT TO BE AUTHORISED BY THE DCO	4

1 SUMMARY

- 1.1.1 This Funding Statement has been prepared to support the Galloper Wind Farm (GWF) application. Details of the funding for the acquisition of the land and interests and for the construction of GWF are provided in this document.
- 1.1.2 Galloper Wind Farm Limited's (GWFL) application seeks a development consent order (DCO) for all of the electrical works required for GWF. These include the transmission works (the Transmission Works) which will be delivered, funded and operated by National Grid Plc (NGET). References to the funding of the construction of GWF in the remainder of this Statement therefore exclude the Transmission Works which are to be separately funded by NGET pursuant to an agreement which is in place between NGET and GWFL.
- 1.1.3 The acquisition of land and interests and the construction of GWF will be funded by large utility companies: RWE AG listed in Germany and Scottish and Southern Energy Plc listed in the United Kingdom. As a result, barring an unprecedented and unforeseen circumstance, there are no potential funding shortfalls.

2 INTRODUCTION

- 2.1.1 This Statement is submitted on behalf of GWFL and relates to a proposal to construct and operate the GWF. It is to be read in conjunction with the Statement of Reasons which accompanies the application. GWF will be a generating station comprising up to 140 wind turbine generators (WTGs) with an installed capacity of up to 504MW.
- 2.1.2 GWF is located approximately 27km off the coast of Suffolk. The majority of the WTGs will be located on the seaward side of the Greater Gabbard Offshore Wind Farm (GGOWF), which is currently under construction.
- 2.1.3 GWFL is applying to the Infrastructure Planning Commission (IPC) for two linked Nationally Significant Infrastructure Projects (NSIPs).
- 2.1.4 As the proposed GWF would be an energy generating station of more than 100MW, it is a NSIP under sections 14(1)(a) and 15(3) of the Planning Act 2008 (the Generating Station NSIP).
- 2.1.5 The installation of electric line above ground is an NSIP under section 14(1)(b) and 16 of the Planning Act 2008. The draft DCO includes the installation of overhead electric line between new sealing end compounds to be located at the onshore substation and an existing pylon. This is being treated as a separate NSIP, although as explained in the Explanatory Memorandum (an exclusion under section 16(3) of the Planning Act 2008 may apply (the Electric Line NSIP).
- 2.1.6 GWFL is an Unincorporated Joint Venture between SSE Renewables Holdings UK Limited (SSER) and RWE Npower Renewables Limited (RWE NRL).
- 2.1.7 RWE NRL, the UK subsidiary of RWE Innogy and sister company to RWE npower, is one of the UK's leading renewable energy companies, dedicated to generating electricity using sustainable, environmentally-friendly resources.
- 2.1.8 SSE is involved in renewable energy projects across Great Britain and Ireland including offshore and onshore wind farms, hydro, marine, biomass, and solar projects. SSE is the UK's leading generator of renewable energy with over 2,200MW of renewable electricity generation capacity and is the second largest generator in the UK with a total electricity generation capacity of 11,500MW.

3 COST OF ACQUIRING LAND TO BE SUBJECT TO COMPULSORY ACQUISITION

- 3.1.1 GWFL is a joint venture owned ultimately by two large utility companies each with a sound financial standing; RWE AG listed in Germany and Scottish and Southern Energy Plc listed in the United Kingdom. GWFL has taken professional advice regarding the estimated cost of acquiring the land and interests required to deliver GWF and is satisfied that the funding is available to meet these costs.
- 3.1.2 The funding for the acquisition of land will be provided by the aforementioned parent companies or a subsidiary of them. No funding from third parties is sought with respect to the land assembly for the project and the cash generated by the day to day operations of the respective groups will be able to fund the costs associated with the acquisition of land as and when they fall due. Both groups have made allowances for the cost of funding GWF, as they would with any large infrastructure project they undertake, and ensured that the necessary funds are available.
- 3.1.3 There are no potential funding shortfalls associated with the acquisition of land, barring an unprecedented and unforeseen circumstance which would leave either ultimate parent company unable to meet their commitments. The possibility of this is extremely remote as reflected in the sound credit ratings of the companies.
- 3.1.4 Should any claims for blight arise as a consequence of the proposed compulsory acquisition, the costs of meeting any valid claim will also be met by GWFL and/or its two parent companies.

4 COST OF IMPLEMENTING THE PROJECT SOUGHT TO BE AUTHORISED BY THE DCO

- 4.1.1 GWFL is a joint venture owned ultimately by two large utility companies; RWE AG listed in Germany and Scottish and Southern Energy Plc listed in the United Kingdom. The funding for the construction of this project will be provided by the aforementioned parent companies or a subsidiary of them, save in respect of the funding to deliver the Transmission Works which will be delivered, funded and operated by NGET pursuant to the terms of an agreement which is in place between NGET and GWFL.
- 4.1.2 No funding from third parties is sought with respect to the construction of the project and the cash generated by the day to day operations of the respective groups will be able to fund the costs associated with the construction of the project as and when they fall due. Both Groups have made allowances for the cost of funding GWF, as they would with any large infrastructure project they undertake and ensured that the necessary funds are available.
- 4.1.3 There are no potential funding shortfalls associated with the construction of this project barring an unprecedented and unforeseen circumstance which would leave either ultimate parent company unable to meet their commitments; the possibility of this is extremely remote as reflected in the sound credit ratings of the companies.